



DISCOVERY
africa

ASX Announcement

6 April 2018

Discovery Africa Extends Option Period on WA Gold Projects

Discovery Africa Limited (ASX: DAF - "Discovery Africa" or "Company") is pleased to announce that it has executed a Deed of Variation to the Binding Option Agreement signed on 6 April 2017, with Bruce Robert Legendre ("BRL"), granting the Company a further six month extension on the option period to purchase a 100% interest in the Cue and Pinyalling Gold Projects in Western Australia.

Discovery Africa now has to 6 October 2018 to exercise the option to purchase the Projects. There was no fee paid to extend the option period.

The Cue Project comprises two contiguous tenements – Prospecting Licence 20/2088 (196 hectares) and Prospecting Licence 20/2089 (39 hectares), located immediately to the north of the Cue township. Cue is located 650km north of Perth on the Great Northern Highway. The Cue Project area is readily accessible by vehicle via numerous roads and tracks.

The Pinyalling Project consists of Exploration Licence 59/2112 covering 18 blocks (54km²) and is about 400km northeast of Perth. Access is via the Great Northern Highway from Perth to Paynes Find-Yalgoo road. This road gives access to the Pinyalling Mining Centre, about 30km west of Paynes Find.

The key terms of the Agreement remain similar.

- Discovery Africa shall be granted an Option for a period of eighteen (18) months (from execution of the Binding Option Agreement on 6 April 2017) to purchase, at any time during that period, 100% of the Projects for A\$30,000 plus GST and a gross royalty of 1% on all metals economically mined from the Projects.
- Discovery Africa will manage all exploration, development and mining activities at the Projects.
- Discovery Africa can elect to terminate the HOA prior to exercising the 'Option to Purchase' the Projects.

The Company will continue to focus on these Projects with an aim to increase the overall value proposition of the Company and ensure it is best placed to deliver value and upside potential for all its shareholders.

ENDS

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